

Fred Meyer

1.10 Equal Employment Opportunity

(7/00)

Statement

Fred Meyer Stores is an equal opportunity employer. The Company hires and promotes employees without regard to race, religion, color, sex, sexual orientation, disability, age, or national origin. In addition, Fred Meyer complies with applicable federal, state and local laws governing nondiscrimination.

It is Fred Meyer's goal to be the employer of choice in every community in which it operates. To achieve that end, management is committed to cultivating a diverse work environment where individual differences are appreciated and respected.

Scope

This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, benefits, training, and development.

Effective date

This policy is effective immediately and supersedes any previous policies.

Policy owner

Route all policy questions and suggested updates to the Group Vice President, Human Resources.

Violation of this policy

Employees who violate this policy will be subject to disciplinary action up to and including termination.

Recruiting job candidates

Qualified female and minority recruiting sources are used whenever appropriate to increase the number of qualified female and minority group applicants.

All Company employment recruitment advertisements are administered without discrimination and include the phrase, "Fred Meyer Stores is an equal opportunity employer."

MJ Exhibit 17 Page 76 of 415



Pre-employment issues

Questions on all pre-employment forms (for example, applications) and during pre-employment interviews are designed to not reveal race, religion, color, sex, sexual orientation, disability, age or national origin.

Any selection tests and their uses will be in accordance with federal and state selection guidelines. Copies of tests used by the Company are kept on file.

Location postings

Federal and state government nondiscrimination posters, as well as the Company's EEO policy statement, are displayed permanently in all Fred Meyer locations.

Company activities

Company activities, employee organizations, and all Company locations operate on a non-segregated basis.

Training and education

New employees are informed as to Fred Meyer policies, including issues relating to racial, cultural, and gender differences.

Qualified female and minority supervisors have the opportunity to participate in Company-sponsored supervisory training and other job-related classes to improve skills and increase the potential for advancement.

Records of Company-sponsored training are kept in a central location for review in the event qualified employees apply for transfer or promotion opportunities.



Incidents of discrimination

Any Fred Meyer location receiving formal EEO charges should immediately notify the Group Vice President of Human Resources.

Any proven incident of discrimination or harassment by any employee will result in appropriate disciplinary action, up to and including termination. It is the responsibility of every employee, and particularly every management and supervisory employee, to bring to the Company's attention any evidence of discrimination or sexual harassment so the matter can be investigated and appropriate action taken.

The Company takes appropriate action to ensure that the rights of individuals to file complaints, furnish information, or participate in an investigation, public hearing, or other activity related to equal employment opportunity law will be respected and not interfered with in any manner.

Related policies

For additional information, refer to the following corporate policies:

- ◆ *1.1 Job Posting Program* - Describes the job posting program.
- ◆ *1.3 Interviewing and Selecting Job Applicants* - Covers the Company guidelines regarding the interviewing and selection of job candidates.
- ◆ *1.6 Hiring People with Disabilities* - Provides information on reasonable accommodation.
- ◆ *4.1 Business Ethics* - States the Company's position and expectations regarding appropriate employee conduct.
- ◆ *4.2 Sexual Harassment & Other Forms of Harassment* - Contains more information about sexual harassment complaint filings and investigations.
- ◆ *4.4 Complaint Resolution* - Describes the three-step procedures employees may use for filing a complaint and supervisory guidelines for handling those employee complaints.

Fred Meyer

MJ Exhibit 17 Page 79 of 415



1.11 Rehiring Former Employees

(7/00)

Statement

Rehiring former employees has several distinct advantages; former supervisors know the capabilities and strengths of these applicants, and former employees know the workings of the Company.

To rehire a former employee, the hiring manager *must* obtain the following:

- ◆ A security clearance from Loss Prevention
- ◆ An "OK" to rehire, as indicated in the applicant's personnel file, from Human Resources

Rehiring a former employee is not a reinstatement. Rehired former employees are considered new-hire employees as related to hire date and Company-provided benefits and are subject to any and all new-hire testing requirements.

Scope

This policy applies to all Fred Meyer Stores employees.

Effective date

This policy is effective immediately and supersedes any previous policies.

Policy owner

Route all policy questions and suggested updates to the Group Vice President of Human Resources.

Violation of this policy

Employees who willfully or deliberately violate this policy will be subject to disciplinary action up to and including termination.



Length of service

Length of Service Awards are based on an employees cumulative work history with Fred Meyer including the current years of service plus any previous time that the employee has worked for Fred Meyer. If an employee wishes to be given credit for the purpose of Length of Service Awards, the Service Awards Section of the Human Resource Department should be contacted.

Note: This prevision is for Length of Service Awards ONLY.

Fred Meyer

1.12 Transfer, Interview, Selection Process

(03/03)

Statement

Fred Meyer recognizes the value of its employees and is committed to providing them meaningful career development opportunities. A vital element of career development is advancement. Advancement means either promotion to a position having increased responsibility and position level, or lateral transfer for career development purposes. In order to maximize advancement opportunities for employees, Fred Meyer will do the following:

- ◆ Emphasize the discussion of career interests during employee performance reviews.
- ◆ To the extent practical, maintain sufficient employee information to identify job candidates throughout the Company.
- ◆ Support the principle of selection-from-within, hiring from outside the Company only when there are no qualified candidates internally or when there is a specific Company need to hire.

Scope

This policy applies to all Fred Meyer Stores employees.

Effective date

This policy is effective immediately and supersedes any previous policies.

Policy owner

Route all policy questions and suggested updates to the Senior Vice President of Store Operations and Group Vice President of Human Resources.

Violation of this policy

Employees who willfully or deliberately violate this policy will be subject to disciplinary action up to and including termination.

MJ Exhibit 17 Page 82 of 415

Advancement criteria

Candidates for advancement will be determined by evaluation of performance, potential, career interests, experience, relevant knowledge and work skill and career development needs. Equal consideration will be given to qualified candidates both within and outside the division filling a job vacancy. Job vacancies will be filled by the best qualified candidates.

Advancement guidelines

Advancement to a new position before an employee has mastered the responsibilities of the present position and contributed to the operation and continuity of the present department is not normally desirable. Recognizing that the length of time necessary to meet this general requirement may vary with the employee or the nature of the job, the following have been established as advancement availability guidelines:

- ◆ A position must be available.
- ◆ Employees who have served less than six (6) months in their present positions are not available for advancement, unless there is a compelling Company interest for availability and current or previous work experience, education or position.
- ◆ Employees who have served more than six (6) months but less than one year in their present positions are available for advancement when the requesting party can show a dominant Company interest for availability.
- ◆ Employees who have served more than one year in their present positions are available for advancement, except where the compelling interest of the department or division to retain the employee is also in the best interests of the Company and the individual.
- ◆ Employees must have an overall rating of average or above on their most recent performance review.
- ◆ Employees must not have committed a disciplinary violation during the previous six months.
- ◆ Employees must fully meet the job qualifications, as outlined in the job description.

Fred Meyer

Selection decision

The current supervisor of each applicant will be notified upon receipt of the employee's application and/or resume. The final selection decision will be made by managers in the organization where the vacancy exists. *The successful candidate's immediate supervisor will be notified prior to a job offer being made.* The successful candidate will be released to the new position as soon as possible, generally within two (2) weeks. In the interest of sound employee relations, it is essential that candidates interviewed, but not selected, be given an explanation of the selection decision after it has been announced.

Questions

Questions and/or the need for further information regarding the Fred Meyer Transfer, Selection, Interview Process should be directed to the Strategic Recruiting Department, Regional Human Resource Supervisor, Group Vice President of Human Resources or the Senior Vice President of Store Operations

FredMeyer

2 Employee Development

2.1 Tuition Assistance	2 - 3
2.2 Performance Appraisals	2 - 11

FredMeyer

MJ Exhibit 17 Page 86 of 415

FredMeyer

2.1 Tuition Assistance

(9/03)

Statement

Career development is a personal and continuous process that begins from within each individual and works best when it functions as a joint undertaking between the supervisor and the employee to achieve development goals.

Fred Meyer is committed to employee development and our goal is to support employees striving to develop their careers and expand their job skills within the Fred Meyer organization by offering tuition assistance.

Scope

This policy applies to all Fred Meyer Stores employees.

Effective date

This policy is effective immediately and supersedes any previous policies.

Policy owner

Route all policy questions and suggested updates to the Group VP, Human Resources.

Violation of this policy

Employees who violate this policy will be subject to disciplinary action up to and including termination.

FredMeyer



How managers and supervisors can help

Managers and supervisors can help develop employees by encouraging them to plan their careers, including—

- ◆ Meeting with employees on a regular basis to discuss opportunities for growth within the Company. Ensure that the employee is familiar with the Career Opportunities Process.
- ◆ Utilizing the Performance Appraisal Process as a tool to improve the employee's knowledge of potential career paths.
- ◆ Asking employees what their career goals are.
- ◆ Supporting employees' goals to finish job-related professional certifications/college degrees.

While there are many by-products of employee development, the real measure of success must be improved job performance. Completion of course work and/or certifications/degrees does not imply automatic promotion, salary increase, or advantages based on criteria other than job performance.

What does tuition assistance cover?

Eligible employees may apply for tuition assistance for Company-approved, job-related courses taken either for credit or non-credit at an accredited college or university. The tuition assistance program is not intended to cover costs related to workshops, seminars, conferences, or clinics.

Eligibility

An employee must have averaged at least 40 hours of work per week during the last 12 months to be eligible for tuition assistance. Any exception to this policy must be requested in writing and attached to the *Tuition Assistance Form* with a supervisor recommendation.

Employees enrolled in the Tuition Assistance Program must be employed with Fred Meyer for the duration of the course. If the employee is terminated (voluntarily or involuntarily) before the course is completed, reimbursement will not be made.



Program requirements

- ✦ To receive tuition reimbursement, the *Tuition Assistance Form* must be completed and approved prior to the start of the course by the employee's immediate supervisor **and** Strategic Recruiting and Organizational Development (SRD).
- ✦ Managers and supervisors should consider the following when reviewing tuition assistance requests:
 - How does the course relate to the employee's current job, advancement potential, or professional certification/college degree?
 - What is the employee's current position with the Company and eligibility?
- ✦ The employee must complete the course with a passing grade (either a "pass" in a pass/no-pass program, or a "C" or better in a graded program) verified by an official notice of satisfactory completion or an unofficial transcript before reimbursement can be issued.
- ✦ Within 30 days of course completion, return to SRD —
 - An official notice of satisfactory completion (a grade slip) or an unofficial transcript
 - The tuition receipt
- ✦ All courses must be attended during the employee's own time unless otherwise directed by SRD or the employee's immediate supervisor.

FredMeyer**Reimbursement**

Employees are reimbursed according to the number of credit hours completed. The rate schedule shown below is based on average tuition rates at several major universities.

Credit Hours Undergraduate	Reimburse Up To	Credit Hours Graduate	Reimburse Up To
1	\$150	1	\$188
2	\$240	2	\$368
3	\$330	3	\$527
4	\$420	4	\$667

- ◆ Books, lab fees, and other materials are not included in the reimbursement.
- ◆ Reimbursement is limited to one course per term (or one course per 12 weeks).
- ◆ Non-credit courses are reimbursed according to comparable credited courses up to, but not to exceed, three credits.

Tuition assistance process

The following outlines the tuition assistance process:

Stage	Who Does It	Action
1	Employee	<ul style="list-style-type: none"> ◆ Tuition costs must be prepaid by the employee. ◆ Approximately three weeks before the start of the course, complete Section I of the electronic <i>Tuition Assistance Form</i> on FMinfo: <ul style="list-style-type: none"> • Log on to FMinfo>Human Resources>Documentation>Tuition Assistance Form • Follow the instructions given on the <i>Tuition Assistance Guidelines</i> link • Complete Section 1 of the form • Review the <i>Tuition Assistance Guidelines</i> to ensure information is in compliance with the policy • Click on "Submit" • Print the form and forward it to your immediate supervisor for approval

Continued on the next page...